



BULLETIN #143/2020 DECEMBER 22, 2020

CORONAVIRUS UPDATE

GOV. BAKER IMPOSES NEW COVID-RELATED RESTRICTIONS ON BUSINESSES, EFFECTIVE DEC. 26

CONGRESS PASSES NEW COVID RELIEF PACKAGE WITH SEVERAL PROVISIONS IMPORTANT TO FRANCHISED DEALERS

Gov. Baker Imposes New Restrictions on Businesses, Running December 26 Through To At Least January 10

Gov. Charlie Baker today, in a move that seems more like punishing the many who follow the rules to get at the few who do not, announced new restrictions on businesses, effective December 26 to at least January 10. The restrictions are designed to address an increased number of COVID-19 infections and hospitalizations as well as to preclude any holiday-related surge as we saw after Thanksgiving. The new order will limit the number of people in most businesses, public spaces, and private homes.

Retail businesses, such as auto dealership showrooms, are caught up in the new restrictions. A retail business will be limited to 25% of the building capacity. Staff/workers are excluded from the count limit. Where no licensed or permitted capacity allowance is on record and for any enclosed space within a larger facility, occupancy shall be limited to no more than 5 persons per 1,000 square feet.

- [Click here](#) for more details ([direct link](#)).
- [Click here](#) to read the Temporary Capacity Order or [here](#) for the overview.
- [Click here](#) to watch today's Press Conference.

Here is a story, courtesy of the *State House News Service*, which covers today's Baker announcement.

Businesses Told To Reduce Foot Traffic after Christmas - New Capacity Limits Seen As Temporary Step to Block COVID Surge

Fearing that the holiday season could fuel an explosion of COVID-19 cases that the state's health care system would not be able to handle, Gov. Charlie Baker today announced new restrictions that seek to limit the number of people in most businesses, public spaces, and private homes for at least two weeks after Christmas.

Starting Saturday and running until at least noon on January 10, restaurants, movie theaters, performance venues, casinos, offices, places of worship, retail businesses, fitness centers, health clubs, libraries, golf facilities, driving and flight schools, arcades, museums and "sectors not otherwise addressed" must limit their customer capacity to a



museums, and "sectors not otherwise addressed" must limit their customer capacity to a maximum of 25 percent.

The capacity limits were part of an under an [emergency order](#) Baker issued today.

The limit for outdoor gatherings will be lowered from 50 to 25, and the limit for indoor gatherings -- including events and public spaces -- will be 10, which matches the limit for indoor gatherings at private residences. Unless it would risk the patient's health, all hospitals must also postpone or cancel all non-essential inpatient elective invasive procedures beginning Saturday.

Baker said the idea behind his newest restrictions, which will be layered on top of the existing orders he has already issued, is to "pause activity and reduce mobility" for the two weeks immediately following Christmas in an attempt to prevent a significant increase in COVID-19 cases and hospitalizations that could undermine the state's hospital systems.

"I think [the] most important thing we want out of this is to make absolutely clear to people that the best and most safe thing we can all do for the next few weeks is to spend as much time with those we live with as possible and to not treat the period between Christmas and New Year's the way we normally do, which is a constant race to connect with, catch up with, hang out with, grab a drink with, grab a meal with, all those people you haven't seen since the last time you saw them last year," Baker said Tuesday. "And I think we all get the fact that that's a tough message. But it's the right message for the moment."

As of Monday, the seven-day average number of new COVID-19 cases in Massachusetts was 3,489 -- that's up 90 percent from the seven-day average of 1,837 cases as of November 8, the date Baker highlighted in his order. The seven-day weighted average of the positive test rate was 5.94 percent as of Monday, compared to 2.7 percent on November 8. Since Thanksgiving, the number of people requiring hospital care for COVID-19 in Massachusetts has more than doubled from 986 patients to 1,991 patients.

"Our hospitals are now under significant pressure and we're heading toward another period, this holiday stretch, where we're likely to see another significant increase in cases and hospitalizations unless everybody plays a very different game than the one we all played at Thanksgiving," Baker said. "As a result, we think it's appropriate to take action now to slow that spread. And we must do so in a way that can avoid overriding our hospital system."

Baker has been concerned about the possibility of the December holidays -- Hanukkah, Christmas, Kwanzaa, and New Year's Eve/Day -- leading to a repeat of the spike in COVID-19 cases that Massachusetts saw in the aftermath of Thanksgiving. On Monday, he said he was "basically begging everyone to stay within their immediate household" for Christmas and New Year's.

While he has been urging residents to alter their traditions and celebrate the holidays differently for this one year, Baker said Tuesday that he decided to make his newest round of restrictions effective the day after Christmas -- and therefore after many of the



gatherings he is concerned about will have taken place -- so he would not disrupt the religious celebration of Christmas and because he hopes many people will physically attend Mass, which is Christmas tradition for some Christians.

"Honestly, the main reason we picked the day after Christmas instead of the day before Christmas was we know that many people, hopefully, will participate in a faith service of some kind -- safely -- on Christmas Eve or Christmas Day," the governor said. "Now, it's perfectly possible to do that safely. And we would hope people would follow the rules, follow the guidance, do the things we've talked about if they choose to do that."

Somerville Mayor Joe Curtatone, whose city took a more cautious approach to its economic re-opening than the state as a whole, was not impressed with Baker's newest restrictions today.

"The Governor and Secretary Sudders have sounded the alarm for help from retired healthcare workers because our healthcare system is showing signs of strain," he [tweeted](#). "So why the decision [sic] to just roll back the capacity for indoor business activity to 25%?"

Christopher Carozzi, Massachusetts director of the National Federation of Independent Business, called it "unfortunate" that Baker chose to further reduce capacity for small businesses, many of which have "followed the rules and dutifully adhered to all state guidelines," when the governor has repeatedly cited private gatherings as the primary driver of COVID-19 spread.

"These businesses have overcome the odds and survived despite facing a months-long shutdown, fewer customers, increased restrictions, and higher operating costs, but the new capacity limits may result in their doors shutting permanently," he said. "The new restrictions will hit struggling restaurants the hardest, an industry already ravaged by the pandemic."

The governor acknowledged today that the two-week reduction in capacity will be tough for some businesses to manage, especially restaurants and entertainment businesses, and he said that he plans to detail "a significant economic relief fund for the commonwealth's small businesses that will be most negatively affected by these decisions" at a press conference tomorrow (Wednesday).

"We know what this means for a lot of our small businesses, especially those in the restaurant and indoor entertainment venue activity, which is why we'll be back here tomorrow with a plan for them," Baker said.

Earlier today, the Massachusetts Coalition for Health Equity -- a group that includes more than 20 organizations and almost 300 physicians -- [called for Baker](#) to close casinos, movie theaters, gyms, places of worship, and to limit restaurants to carry-out only, among other steps.

Baker said this afternoon that he thinks his latest strategy is a better one.

"Our view is based on a lot of the data we saw. You get down below 30 percent [capacity]



and you start having a pretty significant impact on infection rates, generally, and I think for many businesses the pure closure of the operation requires shutting all kinds of things down that are then hard to start up again at some point later on," he said. He added, "I think this is a much more appropriate way to deal with it than to just lock everything down and tell everybody to stay home."

Today was the second time this month that Baker has announced new, more restrictive measures to combat the growing second surge of COVID-19. On December 8, Baker announced that the state would move back a step in his phased re-opening plan effective December 13.

That rollback meant capacity limits were lowered across an array of businesses, some indoor recreation venues were ordered to close again, and rules around mask-wearing and dining out were tightened.

Congress Passes New COVID Relief Package That Includes Several Provisions Important to Dealers

Late last night, Congress cleared for President Trump's expected signature another [pandemic relief package](#) totaling \$900 billion in response to increasing concerns about the adverse impacts of the resurgence of COVID cases across the country.

NADA has prepared a [summary](#) of the key provisions of interest to dealers and dealership employees.

In particular, the stimulus legislation clarifies that expenses paid for using Paycheck Protection Program (PPP) loan proceeds are deductible even when the loan is forgiven. NADA had strongly urged Congress to restore the full deductibility of such expenses for all PPP recipients before the end of the year.

For the past few months, and more urgently in the last several days as leadership finalized the bill, NADA engaged through coalitions as well as directly with members and staff in support of provisions that enable dealers to retain working capital and keep people on the payroll. The continued health of the dealer body is essential for a broad-based economic recovery and a key driver of state and local tax revenue.

NADA thanked all the dealers and ATAEs who conveyed these messages to Congress during this critical time. Your efforts, as always, are an essential part of NADA's advocacy.

As of this writing, analysts still were chopping their way through the statutory thicket of the bill's almost 5,600 pages. President Trump is expected to sign the legislation into law.

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